

APPENDIX 1A NOTICE OF BILLING PRACTICES

The following summarizes the billing practices of the Exchange. Headings are intended to coincide as closely as possible to the relevant items referred to in *Policy 1.3 – Schedule of Fees* (“Policy 1.3”). The same terms are used in this Notice as are used in Policy 1.3.

DEFINITIONS

In this Notice of Billing Practices:

1. A “tranche” means an offering of securities made as a Private Placement. The offering generally will close in stages over a period of time, with all closings subject to the original Private Placement terms.
2. “Deemed value per share” means the value of the share as accepted by the Exchange. This may be the market price, discounted market price or any other price set by the issuer that is acceptable to the Exchange.

Where the Issuer has not set the price per share, the fee calculation will be based on the following, as at the date of the news release announcing the share issuance:

- (a) the discounted market price, where the shares are subject to a hold period; or
- (b) the market price, where the shares are not subject to a hold period.

LISTING FEES

1. Application Fee – Detailed Preliminary Assessment

No fee

No fee will be charged for a news release review, regular 1-2 hour pre-filing meeting or a non-detailed review of technical reports and financial statements.

Early Review

As prescribed by Policy 1.3, an early review processing fee of \$2,000 will be charged, with payment to be applied towards the formal filing. This fee includes:

- (a) any PIF reviews,
- (b) detailed review of an internal technical report (i.e., geological or engineering report);
- (c) feasibility study review,

- (d) detailed review of financial statements or forecasts, or
- (e) unusual policy waiver requests.

This fee will be applied towards the minimum \$7,500 fee payable upon an initial submission in respect of a New Listing/RTO/QT/COB.

Out-of-Pocket Expenses

Where, in the context of a preliminary assessment, an external review of a technical report is required, or a background search on a Personal Information Form (“PIF”) is required to be undertaken outside of Canada, an extra fee will be charged to cover the Exchange’s out of pocket costs.

2. New Listing, RTO, QT or COB

Maximum Fee

The maximum fee of \$40,000 will include all related submissions such as stock option grants, concurrent financings, and name changes.

3. CPC Listing

Initial Submission

The initial submission fee for a CPC is \$5,000, which is non-refundable.

CPC Combination Not in Conjunction with a QT

Where a CPC is proposing to combine with one or more CPCs, and is not undertaking the combination in conjunction with a QT, the listing fee will be \$2,500 per CPC.

CPCs Effecting a QT Involving Another Public Issuer

Where a CPC participates in a Private Placement with an operating public issuer, which distributes its securities to the CPC securityholders, the full Private Placement fee, as prescribed by Policy 1.3, will be charged to that operating issuer and each CPC will be charged a fee of \$2,500.

FINANCING FEES

1. Private Placements/Public Offering

Private Placements Involving Issuance of Multiple Tranches of Securities

For the first tranche of securities issued, the charge will be a flat fee of \$750 plus 0.5% of the gross proceeds raised for that tranche.

For a second and subsequent tranche of securities, no flat fee will be charged. The basis of the fee will be:

- (a) 0.5% of the gross proceeds raised pursuant to those tranches if the aggregate proceeds raised through those tranches is less than \$ 6 million; or
- (b) \$30,000 plus 0.1% of gross proceeds raised, in excess of \$ 6 million, less fees paid for any earlier tranche, if the aggregate proceeds raised through these tranches are equal to or greater than \$ 6 million.

The Exchange will issue a Bulletin when each tranche closes with reference being made as to the first, second or any subsequent tranche, as applicable. Applicable fees for each tranche are required to be paid before a Bulletin will be issued.

Private Placements Effected Concurrently but at Different Prices

Where an Issuer simultaneously announces different Private Placements to be effected at different prices and possibly over different timeframes, such Private Placements will be treated separately and billed accordingly, as prescribed by Policy 1.3.

Private Placements of Special Warrants

The standard Private Placement fee, as prescribed by Policy 1.3, based on the gross proceeds raised, will be applied to the equity security (in most cases, common shares) component, issuable under the special warrant offering.

Warrants

Warrants will not be included in the fee calculation for financings related to Private Placements or non-IPO prospectus offerings.

In respect to listings transactions, the calculation of fees will include the deemed exercise of all warrants or conversion of any convertible securities, as prescribed by the notes to Policy 1.3. The fees for all other transactions involving the issuance of warrants will be calculated on the basis of 50% of the warrants being offered using the market price of the underlying securities, (not the exercise price), at the date of the news release announcing the transaction.

Finder's Fees

Where proceeds are raised pursuant to a Private Placement and a finder's fee is payable, the fee calculation for the transaction will include 0.5% of the deemed value of the shares, that are being issued for the finder's fee, in addition to the Private Placement fee. Any warrants included in the finder's fee will be excluded in calculating the Private Placement fee.

Short Form Offering Document and Rights Offering

An offering made pursuant to a short form offering document, a rights offering circular or a rights offering prospectus will be treated, in the same fashion as a Private Placement and will require payment on the same basis as the Private Placement/Public Offering fee, as prescribed by Policy 1.3.

2. Bonus Shares/Loans

Bonus Shares/Loans

This fee is based on the deemed value of the shares being issued, not the value of the loan. If warrants are being issued, the fee calculation will be based upon 50% of the warrants to be issued using the market price at the date of the news release, rather than the exercise price of the warrants.

If there are no warrants being issued and no conversion features apply to any securities being issued, the minimum processing fee of \$500 will be applied.

FILING FEES

1. Stock Option Plans

Employee Share Purchase Plans

Fees will be calculated in a similar fashion to a stock option plan as prescribed by Policy 1.3, whereby the fee will be based upon \$0.001 per security reserved for issuance, with a minimum fee of \$500.

Issuers will fall under two categories:

- i) Issuers with a TSX Venture Exchange approved Plan in place, should use the following formula to determine the amount of fee payable:

	Number of shares issuable under the Plan as per the new submission	
Minus	Number of shares issuable under the Plan as per the previous Exchange approved Plan	
Add	Number of shares issued pursuant to the exercise of options since the previous Exchange approved Plan	
	Shares for which the fee is applicable	
Multiply	Applicable per share rate	\$0.001
	Pre-GST Fee (minimum of \$500 but not to exceed \$30,000)	\$
Add	GST (5%) and any other applicable tax	\$
	Total Fee Payable	\$

- ii) Issuers without a Plan, that were paying fees upon filing notice of grant, should use the following formula to determine the amount of fee payable:

	Number of shares issuable under the Plan as per the new submission	
Minus	Number of options outstanding as of the last notice of grant where the Company paid fees	
Add	Options granted after the last notice of grant where the Company paid fees	
Add	Options exercised after the last notice of grant where the Company paid fees	
	Shares for which the fee is applicable	
Multiply	Applicable per share rate	\$0.001
	Pre -GST Fee (minimum of \$500 but not to exceed \$30,000)	\$
Add	GST (5%) and any other applicable tax	\$
	Total Fee Payable	\$

Expired and cancelled stock options are not included in the fee calculations above.

We recommend that issuers file the above information with their next Plan filing.

Issuers are reminded that Policy 4.4 requires that all amendments to a Plan be filed for the Exchange's approval, including rolling Plans, which are to be filed annually for the Exchange's approval.

2. Shares for Debt

Shares for Services Involving Multiple Tranches of Securities

Fees are charged on the same basis as shares for debt transactions, as prescribed by Policy 1.3.

The fee will be calculated on the basis of a flat fee of \$500 at the initial filing date plus 0.5% of the deemed value of the shares issued for each tranche.

For the first tranche of securities issued, the fee will consist of a flat fee of \$500 plus 0.5% of the deemed value of the shares issued for that tranche.

For a second and subsequent tranche of securities, no flat fee will be charged. The basis of the fee will be 0.5% of the deemed value of the shares issued pursuant to those tranches.

On a periodic basis (as practical for the specifics of the transaction, for example quarterly) the Issuer may be required to submit a summary of securities issued with respect to the transaction, including the applicable fee. In any event, the Exchange would expect that any shares for services arrangement would not extend beyond a twelve-month period.

If the services agreement is for a short term, the contract will be billed in advance with periodic reporting to be made to the Exchange as to the securities issued pursuant to the agreement.

3. Expedited Acquisition Reviewable Transaction

Deemed Value for Property Transactions

The deemed value of shares issued takes into account all shares issuable, whether initially and/or over a period of time, at the deemed value per share. In cases where warrants are being issued (see above) the fees will be calculated based upon 50% of the warrants to be issued using the market price at the date of the news release, rather than the exercise price of the warrants. No fees will be refunded if the warrants are not exercised.

Finder's Fees

Other than Private Placements, in regard to transactions where a finder's fee is payable, the fee calculation for these transactions will include both 0.5% of the deemed value of the shares, being issued as finder's fees, and 50% of any warrants being issued as finder's fees.

Acquisitions and Concurrent Financings

The fees on these transactions, which do not include a New Listing, RTO, QT or COB, will be charged separately with each transaction being subject to the applicable fee as prescribed by Policy 1.3.

Geological Review

No fee will be charged for the review of a geological report filed in the context of a Reviewable Transaction.

4. Additional Listing (Amalgamation, Merger)

Amalgamations/Mergers of Private and Public Issuers

Where one or more private issuers and a public issuer are undertaking an amalgamation, merger or similar transaction, the fee will be based on the amalgamation fee, as prescribed by Policy 1.3.

If the transaction is an RTO, QT or COB, the RTO, QT or COB fee will be applied to the transaction, rather than the amalgamation fee.

Amalgamations/Mergers of Public Issuers

Where a public issuer and one or more other public issuers are undertaking an amalgamation, merger or other similar transaction, the fee will be \$2,500 per issuer.

5. Consolidation and Name Change

For a name change only, the applicable fee is \$500.

For a consolidation only, the applicable fee is \$2,500.

Where a consolidation is combined with a name change, the applicable fee will be the same as if the filing involved only a consolidation, which will be \$2,500.

6. Supplemental Listing

This fee applies to issuers that are already listed on the Exchange and are listing Supplemental Securities, as defined in Policy 2.8 - *Supplemental Securities* (“Policy 2.8”).

Issuers not interlisted on the Exchange and listed on a Senior Market, as defined in Policy 2.8, listing a class of securities on the Exchange, will be required to pay a New Listing fee.

7. Investor Relations Agreements With Personal Information Form Reviews

The flat fee of \$500 is a minimum processing fee for the review of any Investor Relations Agreement. There will, however, be a recovery charge imposed for PIF background searches; although a recovery charge will only apply if the Regulation Services Provider performs a new or updated background search.

Where Issuers are not required to file Investor Relations Agreements for review, the flat fee will not be charged and only recovery charges for PIF background searches will be imposed.

8. Reinstatement for Suspended Issuers

Geological Review for Reinstatement Transaction

There will be no extra fee for review of a geological or any other report in the context of a reinstatement if a transaction submission (i.e., relating to a RTO, COB, Reviewable Transaction) has been provided together with the applicable minimum fee.

If there is no transaction submission, a report review fee of \$500 to \$1,000 will be applied, depending on the complexity of the review. This review fee will be applied towards the minimum fee payable upon any subsequent submission for the related transaction (i.e., relating to the RTO, COB, Reviewable Transaction).

Reinstatement for NEX Issuers

The reinstatement fee for a NEX Issuer will be consistent with the reinstatement fee of \$500 applicable to Exchange Issuers that have been suspended, as prescribed by Policy 1.3.

9. Miscellaneous

TSX Issuer Delisting and Listing on the Exchange or NEX

Where a TSX listed issuer, following the completion of a COB or RTO, applies to list on the Exchange, the fee charged will be the COB or RTO fee, as prescribed by Policy 1.3.

Where a TSX issuer applies to otherwise list on the Exchange, the fee charged will be the New Listing fee as prescribed by Policy 1.3.

Where a TSX issuer applies to list on NEX, the fee charged will be \$7,500, which is the minimum fee portion of the New Listing Fee, as prescribed by Policy 1.3.

GST and any other applicable tax

As prescribed by Policy 1.3, all fees in this Notice are subject to the 5% GST and any other applicable tax, which must be added to all fees, unless, with respect to the GST, the filer, prior to or at the time of submission of any fees, provides satisfactory evidence to the Exchange in accordance with Schedule A as prescribed under the Excise Tax Act (Canada), as to proof of non-residence and non-registration for GST/HST purposes.
